

Statement of Michael Nayeri

I, Michael Nayeri, declare under penalty of perjury, the following is true and correct to the best of my knowledge and belief:

1. I was the manager of Galileo restaurant from 1984 until 2003. At some point during that period, Mitch Delk approached me regarding the hosting of events at the restaurant
2. In advance of the events, Mr. Delk and I agreed to an arrangement where Mr. Delk would host approximately 25 dinners a year at Galileo in 2001 and 2002.
3. The arrangement we agreed upon was that Mr. Delk would guarantee a \$500 payment to Galileo for a minimum attendance of 20 people per event. If fewer than 20 people actually attended, Galileo's would still receive \$500. If between 21 and 30 people attended, Delk guaranteed a payment of \$750, and if between 31 and 40 attended, Delk guaranteed a payment of \$1,000.
4. The price of the meals was based on a fixed menu, consisting of "tasting" or smaller portions than the usual restaurant servings. The meals were selected by the house, not Mr. Delk or his guests.
5. I believed that this arrangement made good business sense for Galileo because of the number of dinners guaranteed, the price of the dinners, and that additional traffic that these desirable patrons would bring to the restaurant. The arrangement was particularly attractive to Galileo because we were experiencing a down-turn

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in the economy and in the restaurant business. In short, my motivation for entering into the arrangement was that it was a good business deal for Galileo. Although I knew these were political events, Galileo had no interest in the political arena. Galileo was disinterested in the purpose of the events and was unaware or had no interest in who the candidates were or whether funds were solicited or received at the event

6. I would have given the same deal to anyone who would commit to multiple dinners of the type hosted by Mr Delk.

M. Nayeri
Michael Nayeri

Dated: 1/21/2004

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